

BALL JANIK LLP

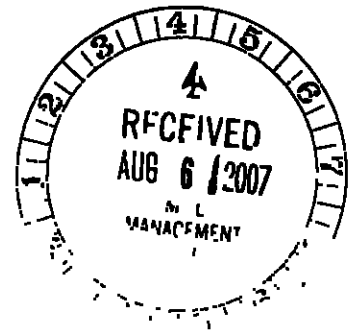
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KARI MORELL



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August 6, 2007

219946

BY HAND DELIVERY

The Honorable Vernon Williams
Secretary
Surface Transportation Board
395 E Street S W
Washington, DC 20423

Re STB Finance Docket No 35063, Michigan Central Railway, LLC –
Acquisition and Operation Exemption – Lines of Norfolk Southern
Railway Company

Dear Secretary Williams

Attached for filing are the original and ten copies of the Reply to Michigan
State Senator Mark Schauer's Request for Extension of Time

Please time and date stamp the extra copy of the Reply and return it with
our messenger

If you have any questions, please contact me

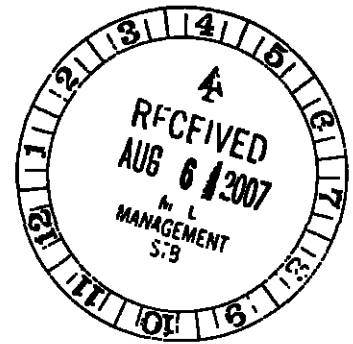
Sincerely yours,

Karl Morell

Enclosures

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Office of Proceedings
AUG - 6 2007
Part of
Public Record

**BEFORE THE
SURFACE TRANSPORTATION BOARD**



FINANCE DOCKET NO. 35063

**MICHIGAN CENTRAL RAILWAY, LLC –
ACQUISITION AND OPERATION EXEMPTION –
LINES OF NORFOLK SOUTHERN RAILWAY COMPANY**

**REPLY OF MICHIGAN CENTRAL RAILWAY LLC
TO MICHIGAN STATE SENATOR MARK SCHAUER'S
REQUEST FOR EXTENSION OF TIME**

**KARL MORELL
Of Counsel
BALL JANIK LLP
Suite 225
1455 F Street, N W
Washington, D C 20005
(202) 638-3307**

**ENTERED
Office of Proceedings**

AUG - 6 2007

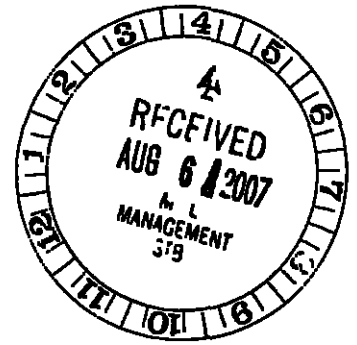
**Part of
Public Record**

**Attorney for
Michigan Central Railway, LLC**

Dated August 6, 2007

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FINANCE DOCKET NO. 35063



**MICHIGAN CENTRAL RAILWAY, LLC –
ACQUISITION AND OPERATION EXEMPTION –
LINES OF NORFOLK SOUTHERN RAILWAY COMPANY**

**REPLY OF MICHIGAN CENTRAL RAILWAY LLC
TO MICHIGAN STATE SENATOR MARK SCHAUER'S
REQUEST FOR EXTENSION OF TIME**

Michigan Central Railway LLC ("MCR"), Petitioner in the above-captioned exemption proceeding, hereby replies to the Request for Extension of Time filed on August 3, 2007 by Michigan State Senator Mark Schauer ("Extension Request")

MCR appreciates the spirit in which Senator Schauer's Extension Request is proffered, namely to enable all interested parties to understand the proposed transaction to which the Petition for Exemption is addressed. In fact, it was that same desire to afford interested parties time to review and comment on the proposal that caused MCR to seek revocation of the class exemption, to file a formal Petition for Exemption (including copies of the parties' Transaction Agreement and all related agreements), and to suggest a procedural schedule that permits all parties a reasonable opportunity to file comments on the Petition should they be so inclined. Moreover, it was that same desire that caused NSR to reach out to each customer located on the affected lines with a notice of the submission of the Petition for Exemption. On August 2, the Board issued a Decision, notice of which was published in the Federal Register on that same date, granting MCR's petition to revoke application of the class exemption to this

proceeding and establishing a procedural schedule that gives interested parties a full month (to September 4, 2007) within which to file comments on the proposed transaction, and also sets a final decision date (October 11, 2007) that will permit the Board to decide the matter after due consideration

It is not clear whether Senator Schauer prepared his Extension Request with the knowledge that the Board had issued its Decision establishing the schedule. In addition, Senator Schauer's Petition does not indicate why an extension of time beyond September 4, 2007 is necessary to give him or other interested parties sufficient time to prepare comments on the proposed transaction, nor does it request any specific amount of additional time.

MCR has already participated in several discussions about this matter directly with Senator Schauer, his staff, and other interested parties, and it stands prepared to participate in further discussions as appropriate. However, MCR respectfully submits that there is no basis upon which to grant Senator Schauer's open-ended request to postpone the procedural schedule adopted by the Board and therefore asks that the Board deny that Request and adhere to the schedule in its August 2 Decision.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Karl Morrell", written in a cursive style.

KARL MORELL
Of Counsel
BALL JANIK LLP
Suite 225
1455 F Street, N W
Washington, D C 20005
(202) 638-3307

Attorney for
Michigan Central Railway, LLC

Dated August 6, 2007

CERTIFICATE OF SERVICE

I hereby certify this 6th day of August, 2007, that I have caused the foregoing to be served by first class mail, postage pre-paid, on all parties that have entered appearances in STB Finance Docket Nos 35063, 35064 or 35065

Karl M. Neff